1. (currently amended) A method of distinguishing items for sale by a store from personal items brought into the store by a shopper comprising the steps of:

storing stored item identification information associated with radio frequency identification (RFID) labels on items for sale by the store in an inventory file;

storing costs for items for sale in a price look-up file;

reading RFID labels of items read by an RFID label reader as part of a purchase transaction to obtain read identification information;

comparing the read identification information to the stored identification information to determine whether each read RFID label is associated with an item for sale;

utilizing the item identification information for each read RFID label associated with an item for sale to obtain the cost for the item from the price look-up file; [and]

storing the item identification information for each read RFID label associated with the item for sale in a transaction record of the shopper;

ignoring the read identification information of any read RFID labels determined to be in the transaction record and thereafter ignoring the read identification information of any remaining read RFID labels determined not to be associated with an item for sale as being associated with personal items brought



PAGE 5/12 * RCVD AT 8/7/2008 3:41:23 PM [Eastern Daylight Time] * SVR:USPTO-EFXRF-5/18 * DNIS:2738300 * CSID:9374456794 * DURATION (mm-ss):02-18

into the store by the shopper.

2. (previously presented) The method of claim 1 further comprising:

completing the purchase transaction for items having RFID labels associated with items for sale; and

updating the inventory file to mark any items for which the purchase transaction was completed as sold.

3. (previously presented) The method of claim 2 further comprising:

reading said RFID labels to obtain item identification information for items read as the shopper exits the store;

utilizing the updated inventory file to determine if the RFID labels are associated personal items, items for sale, or sold items.

4. (previously presented) The method of claim 3, further comprising:

displaying an alert on a security read display if it is determined the item is an item for sale.

5. (previously presented) The method of claim 1, further comprising:



PAGE 6/12 * RCVD AT 8/7/2008 3:41:23 PM [Eastern Daylight Time] * SVR:USPTO-EFXRF-5/18 * DNIS:2738300 * CSID:9374456794 * DURATION (mm-ss):02-18

utilizing transaction software to create a shopper transaction record identified by a unique transaction number and indicating purchased items on a receipt.

6. (previously presented) The method of claim 1, further comprising:

utilizing a card reader to accept a payment card.

7. (previously presented) The method of claim 2, further comprising:

purging items marked as sold from the inventory file.

8-13. (cancelled)

14. (currently amended) A system for distinguishing items for sale by a store from personal items brought into the store by a shopper comprising:

a label reader for reading radio frequency identification (RFID) labels on items the shopper possesses at the time of a purchase transaction;

memory for storing an inventory file of stored item identification information associated with RFID labels on items for sale by the store;

memory for storing the item identification information for



PAGE 7/12 * RCVD AT 8/7/2008 3:41:23 PM [Eastern Daylight Time] * SVR:USPTO-EFXRF-5/18 * DNIS:2738300 * CSID:9374456794 * DURATION (mm-ss):02-18

each read RFID label associated with the item for sale during a transaction in a transaction record of the shopper;

memory for storing costs for items for sale in a price look-up file; and

computer for obtaining identification information from the RFID labels on the items the shopper possesses from the label reader, for comparing the read identification information to the stored identification information associated with the items for sale by the store to determine whether each read RFID label is associated with an item for sale, utilizing the item identification for each read RFID label associated with an item for sale to obtain the cost for the item from the price look-up table, and for ignoring the read identification information of any read RFID labels determined to be in the transaction record and thereafter ignoring the read identification information of any remaining read RFID labels determined not to be associated with an item for sale as being associated with personal items brought into the store by the shopper.

15. (previously presented) The system of claim 14, wherein the computer comprises a transaction computer which is operated to complete a purchase transaction for items having RFID labels associated with an item for sale.



PAGE 8/12 * RCVD AT 8/7/2008 3:41:23 PM [Eastern Daylight Time] * SVR:USPTO-EFXRF-5/18 * DNIS:2738300 * CSID:9374456794 * DURATION (mm-ss):02-18

16. (previously presented) The system of claim 15, wherein the computer further operates to update the inventory file to mark any items for which the purchase transaction was completed as sold.

17. (previously presented) The system of claim 16, further comprising a security computer which determines that said labels read as the shopper exits the store are for items for sale and not marked sold.

18. (previously presented) The system of claim 17, wherein the security computer controls display of an alert on a security display if it is determined any label read as the shopper exits the store is for an item for sale and not marked sold.

19-20. (cancelled)

21. (previously presented) The system of claim 16, wherein the computer also purges the inventory file to eliminate any items marked as sold.

22. (new) A method of distinguishing items for sale by a store from personal items brought into the store by a shopper comprising the steps of:



PAGE 9/12 * RCVD AT 8/7/2008 3:41:23 PM [Eastern Daylight Time] * SVR:USPTO-EFXRF-5/18 * DNIS:2738300 * CSID:9374456794 * DURATION (mm-ss):02-18

obtaining first item identification associated with first RFID labels of first items from an RFID label reader as part of a purchase transaction;

comparing the first item identification information to second item identification information in an inventory file associated with RFID labels on second items for sale in the store to determine third item identification information associated with third items for sale in the store included within the second items;

obtaining costs for the third items from a price look-up file using the third item identification information;

storing the third item identification information in a transaction record of the shopper;

ignoring the third item identification information in the transaction record and thereafter ignoring fourth identification information of any remaining RFID labels of the first RFID labels determined not to be included within the second items as being associated with personal items brought into the store by the shopper.



PAGE 10/12 * RCVD AT 8/7/2008 3:41:23 PM [Eastern Daylight Time] * SVR:USPTO-EFXRF-5/18 * DNIS:2738300 * CSID:9374456794 * DURATION (mm-ss):02-18